



For our children, our community, our world, our future
CHENEY PUBLIC SCHOOLS
12414 SOUTH ANDRUS ROAD, CHENEY, WA 99004

(509) 559-4599 * FAX 559-4575
www.cheneysd.org

Thinking about Retiring?

At least six months before your planned retirement date:

- 1) Call the Department of Retirement Systems (DRS) at (800) 547-6657 and speak with a retirement analyst. Inquire with the analyst as to what date you are eligible to retire and discuss benefit amounts. Request a retirement packet. You may also visit DRS at www.drs.wa.gov/member. Plan 3 members should also contact Voya Financial at (888) 327-5596.

- 2) Notify Human Resources of your intention to retire or resign (based on information obtained from DRS). Please be specific about which option you are choosing (retire or resign). Be sure to include the last date you will work.
 - i. When it comes to retirement planning, school employees in Plans 2 and 3 often ask whether it's better to retire in July (when you stop working) or in September (when your contract ends).
 - ii. There are several factors to weigh in choosing your retirement month, including what's gained from an earlier start to benefits and cost-of-living adjustments (COLAs) compared to what's earned from two extra months of service. And, starting this year, there's a new consideration: the impact of an earlier retirement on your health care costs.
 - iii. This additional consideration relates to the launch of the School Employees Benefits Board (SEBB) program, which offers employer-supported health insurance options for school employees. While SEBB provides enrollment for working employees, it does not offer coverage for retirees.

These two scenarios illustrate how these various factors come into play:

July retirement scenario (resign your position effective June 30 to retire starting July 1):

- You'll receive your pension benefit plus your salary for July and August.
- Your COLA will start in July of the following year.
- You won't receive service credit for July and August.
- Your health care coverage via SEBB will be discontinued after June 30.

September retirement scenario (resign your position effective Aug. 31 to retire starting September 1):

- You'll receive your pension benefit starting in September.
- Your COLA won't go into effect until July - two years following the date of your retirement.
- You'll earn service credit for July and August.
- You'll continue to receive SEBB health care coverage in July and August.

- 3) Contact the Public Employees Benefits Board (PEBB) for information about the state-sponsored continued health insurance coverage you may be entitled to. You may contact them at (800) 200-1004 or online at www.hca.wa.gov/pebb. **You must enroll in or defer PEBB coverage within 60 days of the date your medical benefits with the District end** (most often this is the last day of the month following your final paycheck). You may waive the coverage if you have other options, but if you don't enroll or defer within 60 days, you will NOT have another opportunity to enroll.

- 4) Contact Social Security at (800) 772-1213, or online at www.ssa.gov.

- 5) Personal leave and/or vacation cash out (if applicable): Any remaining personal leave and/or vacation will be paid per CBA language.

- 6) Sick leave cash out:
Meeting the eligibility criteria* below will determine whether or not your sick leave balance (up to 180 days) will be cashed out at a ratio of 1:4 (25%). The manner by which an eligible cash out is distributed is voted on annually by each association. Depending on the vote of your association your cash out will either be paid directly to you or transferred to a VEBA account for future use to cover qualified medical expenses. If VEBA is the choice of your association, you will receive a VEBA packet and enrollment form.

***Eligibility Criteria:**

- i. Upon eligible Washington State retirement – Unused sick leave (up to 180 days) will be paid to you at a rate equal to one day for each of four days of accrued sick leave.
- ii. Upon resignation – Eligible employees** will be paid up to 180 days at a rate equal to one day for each four days of accrued sick leave.
 - i. **Eligible Employees:
 1. TRS/SERS Plan 2 Members: At least age 55 with 15 years of service.
 2. TRS/SERS Plan 3 Members: At least age 55 with 10 years of service.

➤ Please contact DRS directly with questions regarding years of service.

CONTACT INFORMATION:

• Cheney School District Benefits/HR	(509) 559-4539	
• Department of Retirement Systems (DRS)	(800) 547-6657	www.drs.wa.gov/member
• Voya Financial (DRS Plan 3 Investments)	(888) 327-5596	www.drs.wa.gov/plan3
• Deferred Compensation (DCP)	(888) 327-5596	www.drs.wa.gov/dcp
• Public Employees Benefits Board (PEBB)	(800) 200-1004	www.hca.wa.gov/pebb
• VEBA Trust	(888) 828-4953	www.veba.org
• Social Security (SSA)	(800) 772-1213	www.ssa.gov